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## UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D C 20548

GENERAL GOVERNMENT  
DIVISION

Dear Mr. Devine:

We have completed a survey of the administration and operations of a New England project to fight organized crime. The project was funded by a Law Enforcement Assistance Administration (LEAA) discretionary grant (70-DF-044) of \$598,430 to the Massachusetts State planning agency (SPA) in May 1970 for the development of a prototype model of the New England Organized Crime Intelligence System (NEOCIS). In February 1972 another discretionary grant (72-DF-0015) for \$609,335 was made to continue the project.

The objective of the project is to demonstrate what a regional organization can accomplish in gathering, evaluating, and disseminating intelligence data and in generating comprehensive strategies to combat organized crime activity.

Our survey was performed at NEOCIS headquarters, Wellesley Hills, Massachusetts, the LEAA Regional Office, Boston, Massachusetts; and the Massachusetts SPA, Boston, Massachusetts. We interviewed officials in the offices of the Attorneys General and Departments of State Police or Public Safety in the six New England States, and the Attorney-in-Charge of the New England Strike Force, U.S. Department of Justice.

Because this planned 3-year project was still in the first year of operation at the time of our survey, and because LEAA had awarded a contract to a consultant to perform a comprehensive evaluation of the project, we limited our survey to a review of present operations and plans for the future.

The intelligence gathering, evaluation, and dissemination functions generally are progressing satisfactorily. We noted certain areas, however, where we believe improvements can be made. In some instances NEOCIS has initiated corrective action. Our observations have been discussed with officials of NEOCIS, the LEAA Boston Regional Office, and your headquarters staff and are presented below for the corrective action you may wish to take.

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IMPROVEMENT NEEDED IN NEOCIS OPERATIONS

Certain improvements in NEOCIS operations should be made to (1) ensure greater protection for the individual's right to privacy and the security of records, (2) provide NEOCIS with available State and local intelligence information to minimize duplication of collection activities, and (3) provide a formal liaison between NEOCIS and the Federal Strike Force to facilitate exchange of information.

Protection of individual privacy  
and records security

Certain administrative procedures  
should be formalized

We examined the administrative files of NEOCIS and noted very little documentation of procedures in effect to provide for the individual's right of privacy and to assure the security of records. We also examined the NEOCIS grant application, rules, regulations, and internal office procedures and found that they did not adequately document the procedures for these matters. The NEOCIS Deputy Director of Intelligence described the measures taken by NEOCIS to protect the individual's right of privacy and assure the security of records but most of these measures were not documented at the time of our survey.

A NEOCIS official advised us that security measures would comprise a chapter of the operating manual which was being written. The operating manual should also contain the procedures for protecting the individual's right of privacy.

Legal status of NEOCIS needs to be determined

At the time of our survey, officials were not certain what legal immunities were available to protect NEOCIS intelligence records from the subpoena powers of the courts. To correct this situation NEOCIS officials were attempting to have NEOCIS designated as the Criminal Intelligence Bureau under the New England State Police Compact. We were advised that as the Criminal Intelligence Bureau, the NEOCIS intelligence records would have the same legal immunities as police records.

NEOCIS officials advised us that NEOCIS would not honor a subpoena and would test the matter in court if the situation arose. Efforts should be continued to have NEOCIS designated as the Criminal Intelligence Bureau.

NEOCIS should protect individual privacy when obtaining information

NEOCIS contacts other governmental agencies by letter to obtain information on the possible organized crime activities of individuals. As a result an individual's right of privacy is not adequately protected because the inquiry concerning an individual can be readily associated with an investigation of organized crime.

The NEOCIS intelligence system includes the offices of the five New England Attorneys General who have criminal jurisdiction, and the six Departments of State Police or Public Safety in New England.

If NEOCIS wanted to identify an individual from an automobile registration number, appropriate agencies in New England are contacted directly by telephone, and agencies in States outside New England are contacted by letter through the State Police or intelligence unit within the State. However, when NEOCIS sends a letter to a State Police or intelligence unit not in New England, that agency or unit will then have a record of an inquiry made by an organized crime intelligence unit (NEOCIS) on the individual. NEOCIS could obtain the same information through the Massachusetts Department of Public Safety teletype system. An inquiry from the Department of Public Safety would prevent the query from being linked with an activity monitoring organized crime.

When possible, NEOCIS should employ the method which would best protect the individual's right of privacy when obtaining information from governmental agencies outside the intelligence system. NEOCIS officials were aware of alternative methods of obtaining information from other State agencies, and the Executive Director of NEOCIS agreed to use these methods.

Exchange of information with State and local agencies can be improved

Public record information should be disclosed

We were told by a NEOCIS official that NEOCIS takes measures to protect the identity of individuals who furnish intelligence information. However, law enforcement agencies may wish to verify and update the information received from NEOCIS before taking action on it. Verification and updating would be easier if the source of the information were known. We believe the identity of informants should not be revealed, but when the source is a matter of public record it could be disclosed by NEOCIS. Most representatives of the New England Attorneys General and Departments of State Police or Public Safety we contacted favored disclosing sources of information by NEOCIS if it is part of the public record.

The NEOCIS Executive Director agreed to disclose the sources that are part of the public record when disseminating information to law enforcement agencies. He advised us that, in certain cases, NEOCIS had already done so.

Available intelligence data should  
be exchanged to minimize duplication  
of NEOCIS and State efforts

- The States of Massachusetts and Rhode Island had organized crime units in the office of the Attorneys General and/or the Departments of State Police or Public Safety that performed intelligence functions. The other New England States did not have such organized crime units in their law enforcement agencies devoted entirely to organized crime, but they did intelligence work. Officials of four of the nine State agencies we visited stated that there was possibly some duplication between the activities of NEOCIS and the State agencies in the collection of intelligence information.

Only one of the representatives of the State law enforcement agencies contacted during the survey was willing to have NEOCIS perform its entire intelligence function to avoid any possible duplication. Officials of the nine State agencies we contacted advised us that they are willing to cooperate with NEOCIS and to provide the system with intelligence information. We also noted that because State law enforcement agencies do some intelligence work, they may be gathering information which is of value to NEOCIS.

The NEOCIS Executive Director told us that duplication between NEOCIS and State agencies was at a minimum. He also informed us that duplication may be further reduced once communications between NEOCIS and the State agencies improve. Steps should be taken to achieve improved communications and coordination.

Liaison needed between NEOCIS  
and the Strike Force

A formal liaison between NEOCIS and the Strike Force has not been established to facilitate the exchange of information. Strike Forces are comprised of law enforcement agency investigators and prosecutors who pool their talents in order to fight organized crime in a given geographical area. Representatives of the Federal law enforcement agencies have been assigned to the New England Strike Force and provide it with information from their respective agencies. The Strike Force is concerned with the violation of Federal laws while NEOCIS is concerned with State laws. Nevertheless, NEOCIS maintains an informal liaison with the Strike Force.

Officials of seven of the State agencies favored the appointment of a member of NEOCIS as a formal liaison with the Strike Force. They believed a formal liaison would facilitate exchanging information between the two agencies. The Attorney-in-Charge of the Strike Force also favored the appointment of a liaison. The action necessary to establish formal liaison between the two agencies should be taken.

#### NEED FOR CLOSE LEAA LIAISON WITH PROJECT OFFICIALS

During the first year of project operations there was only limited contact between LEAA headquarters and project officials. LEAA headquarters had responsibility for monitoring the project but the file showed no correspondence between LEAA and NEOCIS from February to November 1971. LEAA headquarters may have had little knowledge of the specific operations of NEOCIS. In November 1971 the monitoring responsibility for the project was transferred by LEAA from headquarters to the Boston Regional Office. Since then, several meetings have been held by the Boston Regional Office with the project officials to discuss the progress of the project. In addition, the regional office has designated an employee to monitor the NEOCIS project. On February 8, 1972, the Boston Regional Office awarded a discretionary grant of \$609,335 to NEOCIS for continuation of the project.

In September 1971 LEAA awarded a contract to Dunlap and Associates, Inc., Darien, Connecticut, to evaluate NEOCIS and its operations, reporting system, and impact on organized crime; and to develop criteria and methods for the evaluation of organized crime intelligence systems.

We believe that the results of the consultants evaluation and the continued monitoring of the project by the Boston Regional Office should enable LEAA to provide the required guidance and assistance for this innovative pilot project for which LEAA has already awarded \$1.2 million. Because of the substantial investment thus far, and the anticipated future funding for the third year of operations, it is important that a close liaison exist between LEAA and project officials so that operations and accomplishments can be assessed and evaluated on a continuing basis, and LEAA can be prepared to disseminate the results of this project to other States considering regionalized operations.

#### NEED TO PLAN FUTURE FUNDING REQUIREMENTS

We found that no formal plans have been formulated for the New England States to take over the financing of NEOCIS after Federal funding terminates.

We were advised by the Executive Director of NEOCIS that there was no estimate available of the total cost to make NEOCIS a fully operational system. As of December 31, 1971, a total of \$528,374 in Federal funds had been expended from the initial grant of \$598,430. With the award of the continuation grant for \$609,335 in February 1972, Federal funds awarded now total about \$1.2 million.

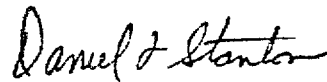
The initial NEOCIS grant application approved by LEAA indicated that the New England States should finance the project after Federal funding is terminated. The Massachusetts SPA concluded that the grant application was not clear as to how the States would fund the program, or how much would be needed, because none of the State legislatures had provided for such funds.

We believe that the development of a plan for future funding should begin as soon as practicable since considerations would include matters involving the statutes of six States.

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We appreciate the cooperation and courtesy extended to us by LEAA, State, and NEOCIS employees during our survey. If you so desire, we shall be pleased to discuss these matters further with you or your staff.

Sincerely yours,



Daniel F. Stanton  
Assistant Director

Mr. James Devine, Assistant Administrator  
Office of Criminal Justice Assistance  
Law Enforcement Assistance Administration  
Department of Justice